

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.
v. : Criminal No.: 11-
JONG-HOON KIM : Title 18, United States Code,
Sections 1028, 1028A, 1349,
and 2

I N F O R M A T I O N

The defendant having waived in open court prosecution by Indictment, the United States Attorney for the District of New Jersey charges:

COUNT ONE
(Unlawfully Producing Identity Documents)

Introduction

1. At all times relevant to this Information:
 - a. Defendant JONG-HOON KIM, a resident of Ridgefield, New Jersey, was the principal of Red Coco International, Inc. (hereinafter "Red Coco Int'l") and Nabis Club (hereinafter "Nabis Club"), which were wholly fictitious companies.
 - b. Co-Conspirator S.H.P., an individual not named as a defendant herein, operated a criminal enterprise in Bergen County, New Jersey (hereinafter the "Criminal Enterprise") that engaged in identity theft and various types of fraud.

Overview of the Criminal Enterprise

2. The Criminal Enterprise fraudulently obtained and sold social security cards to customers. These social security cards began with the prefix "586," which prefix the United States government typically used on social security cards issued to individuals, usually from China, who worked in American territories. The Criminal Enterprise and the customer then used the "586" social security cards either to obtain a genuine but fraudulently issued driver's license or produce a counterfeit driver's license (hereinafter collectively the "Fraudulent Identity").

3. After providing the Fraudulent Identity to the customer, the Criminal Enterprise engaged in the fraudulent "build up" of the credit score associated with that identity. This "credit build up" was accomplished by taking the Fraudulent Identity and attaching it to other co-conspirators' credit card accounts. By attaching the Fraudulent Identity to these credit card accounts, the Fraudulent Identity obtained a perfect or near perfect credit score. The Criminal Enterprise charged the customer a fee of between approximately \$5,000 and \$7,000 for the Fraudulent Identity and the corresponding credit build up.

4. Thereafter, the Criminal Enterprise directed, coached, and assisted the customer to use the Fraudulent Identity

to open bank accounts and apply for loans and credit cards. The Criminal Enterprise and the customer then profited by using the fraudulently obtained credit cards to obtain merchandise, money, and other things of value, know as credit card "bust out."

5. To obtain cash from the fraudulently obtained credit cards, the Criminal Enterprise charged or "swiped" these credit cards on credit card machines possessed by wholly fictitious shell companies or other merchants (hereinafter "Collusive Merchants"). After the money from these charges was transmitted into bank accounts corresponding to these credit card machines and/or collusive merchants, the cash was withdrawn by the Collusive Merchants or members of the Criminal Enterprise and shared among the various co-conspirators.

6. On or about April 28, 2008, defendant JONG-HOON KIM traveled from Bergen County, New Jersey to Chicago, Illinois. Thereafter, defendant JONG-HOON KIM used and presented to the Illinois Department of Vehicle Services (hereinafter "IDVS") two "586" social security numbers in the name of actual individuals with the initials "Z.A." and "R.C.," together with other false and fictitious documents, thereby causing the IDVS to produce and issue an Illinois photo identification card to defendant JONG-HOON KIM in the names of Z.A. (hereinafter the "Z.A. Identity") and R.C. (hereinafter the "R.C. Identity"). Thereafter, defendant JONG-HOON KIM returned to Bergen County, New Jersey with these fraudulently obtained Illinois identification cards.

7. On or about October 7, 2008, defendant JONG-HOON KIM traveled from Bergen County, New Jersey to Chicago, Illinois and obtained an Illinois driver's license in the name of Z.A.

8. On or about November 11, 2008, defendant JONG-HOON KIM traveled from Bergen County, New Jersey to Chicago, Illinois. Thereafter, defendant JONG-HOON KIM used and presented to IDVS a "586" social security number in the name of an actual individual with the initials "C.S.H.," and other false and fictitious documents, thereby causing the IDVS to produce and issue an Illinois driver's license to defendant JONG-HOON KIM in the name of C.S.H (hereinafter the "C.S.H Identity"). 9. Beginning in or about mid-2008, defendant JONG-HOON KIM used the Z.A. Identity, R.C. Identity, and C.S.H Identity to apply for and obtain credit cards from various banks and stores. Thereafter, defendant JONG-HOON KIM used these fraudulently obtained credit cards to obtain in excess of \$100,000 in merchandise and cash.

The Charge

10. From on or about April 28, 2008 through on or about November 11, 2008, in Bergen County, in the District of New Jersey and elsewhere, defendant

JONG-HOON KIM

knowingly and without lawful authority produced, and caused to be produced, identification documents, namely, Illinois photo identification cards and Illinois driver's licenses issued by the Illinois Department of Vehicle Services, as described in Paragraphs 6 through 8 of Count One of this Information, in and affecting interstate commerce.

In violation of Title 18, United States Code, Sections 1028(a)(1), 1028(b)(1)(A)(ii), and 1028(c)(3)(A) and Section 2.

COUNT TWO
(Aggravated Identity Theft)

1. The allegations set forth in Paragraphs 1 through 9 of Count One of this Information are hereby realleged as if fully set forth herein.

The Charge

2. From on or about April 28, 2008 through on or about September 15, 2010, in Bergen County, in the District of New Jersey and elsewhere, defendant

JONG-HOON KIM

knowingly transferred, possessed, and used, without lawful authority, the means of identification of other persons, namely, Z.A., R.C., and C.S.H, during and in relation to violations of federal law, namely, credit card fraud (18 U.S.C. § 1029) and fraud relating to social security cards and numbers (42 U.S.C. § 408).

In violation of Title 18, United States Code, Section 1028A and Section 2.

COUNT THREE
(Conspiracy to Commit Wire Fraud)

1. The allegations set forth in Paragraphs 1 through 9 of Count One of this Information are hereby realleged as if fully set forth herein.

2. At all times relevant to Count Three of this Information:

a. Various financial institutions and retail stores issued credit cards to consumers (hereinafter the "Corporate Victims").

b. Defendant JONG-HOON KIM was a Collusive Merchant for the Criminal Enterprise, and he used his fictitious companies, namely, Red Coco, Int'l and Nabis Club, to establish merchant bank accounts for the sole purpose of enriching himself and members of the Criminal Enterprise through various credit card "bust out" schemes.

The Conspiracy

3. From in or about mid-2008 through in or about September 15, 2010, in Bergen County, in the District of New Jersey, and elsewhere, defendant

JONG-HOON KIM

knowingly and intentionally conspired and agreed with S.H.P. and others to devise a scheme and artifice to defraud the Corporate Victims, and to obtain money and property, by means of materially false and fraudulent pretenses, representations, and promises, and for the purpose of executing the scheme and artifice to

defraud, to transmit and cause to be transmitted, by means of wire communication in interstate and foreign commerce, certain writings, signs, signals, pictures, and sounds, contrary to Title 18, United States Code, Section 1343.

Object of the Conspiracy

4. The object of the conspiracy was for defendant JONG-HOON KIM, Co-Conspirator S.H.P., and their co-conspirators to enrich themselves by fraudulently obtaining money from the Corporate Victims to which they were not entitled.

Manner and Means of the Conspiracy

5. It was part of the conspiracy that defendant JONG-HOON KIM, using the Z.A. Identity, established merchant bank accounts at a financial institutions for Red Coco Int'l, a fictitious company that neither sold products nor provided any services. Defendant JONG-HOON KIM, using the R.C. Identity, established a merchant bank account at a financial institution for Nabis Club, a fictitious company that neither sold products nor provided any services. After opening these merchant accounts, defendant JONG-HOON KIM obtained credit card machines to make and process credit card purchases through these merchant accounts.

6. It was further part of the conspiracy that Co-Conspirator S.H.P. and other members of the Criminal Enterprise provided fraudulently obtained credit cards and credit card

numbers to defendant JONG-HOON KIM. These credit cards were obtained by the Criminal Enterprise, as described in Paragraphs 2 through 4 above of Count One of this Information.

7. It was further part of the conspiracy that defendant JONG-HOON KIM charged these fraudulently obtained credit cards through his Red Coco Int'l and Nabis Club merchant bank accounts.

8. It was further part of the conspiracy that, after funds from these fraudulent credit card transactions were electronically wired and deposited into his Red Coco Int'l and Nabis Club merchant bank accounts, defendant JONG-HOON KIM withdrew cash from these accounts and issued checks drawn on these accounts to himself and his co-conspirators, including Co-Conspirator S.H.P.

Overt Acts

9. In furtherance of the conspiracy and to effect the unlawful object thereof, defendant JONG-HOON KIM and his co-conspirators committed and caused to be committed the following acts in the District of New Jersey and elsewhere:

a. On or about July 8, 2008, defendant JONG-HOON KIM made an electronic credit card charge through Nabis Club, in the approximate amount of \$976, with a fraudulently obtained credit card.

b. In or before September 2008, defendant JONG-HOON KIM, using the Z.A. Identity, applied for and obtained a merchant bank account in the name of Red Coco Int'l.

c. On or about September 29, 2008, defendant JONG-HOON KIM made an electronic credit card charge through Red Coco Int'l, in the approximate amount of \$250, with a fraudulently obtained credit card.

d. In or about May 2009, defendant JONG-HOON KIM, using the Z.A. Identity, applied for and obtained a second merchant bank account in the name of Red Coco Int'l.

All in violation of Title 18, United States Code, Section 1349.



PAUL J. FISHMAN
United States Attorney

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INFORMATION FOR

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